


M E M O R A N D U M

DATE: February 17, 2021

TO: Board of Directors
The Long Beach Community Investment Company

FROM: Oscar W. Orci, President 

SUBJECT: Housing Successor Annual Report Regarding the Low- and Moderate- Income Housing Asset Fund for Fiscal Year 2019-2020 (Citywide)

RECOMMENDATION:

Receive and file the Housing Successor Annual Report Regarding the Low- and Moderate-Income Housing Asset Fund for Fiscal Year 2019-2020 and direct the President to post and distribute the report as required by Section 34176.1 of the California Health and Safety Code.

DISCUSSION

In 2011, the State Legislature approved the dissolution of the state's 400 plus redevelopment agencies (RDAs). The RDAs were officially dissolved as of February 1, 2012. The dissolution provided for the designation of successor agencies to wind down the affairs of the dissolved RDAs and allowed the agencies that created an RDA to retain the housing assets and functions of the former RDA. The agencies assuming those assets and functions are referred to as housing successors. The City of Long Beach elected to become the housing successor for the former Long Beach Redevelopment Agency and has delegated the housing successor functions to The Long Beach Community Investment Company (LBCIC).

Subsequent to the dissolution of the RDAs, the Legislature adopted SB 341, which amends the California Health and Safety Code to provide parameters on the use of the remaining low- and moderate-income housing assets of the housing successors. Among other things, the legislation requires annual reporting on the use of the housing assets for the previous fiscal year. Specifically, housing successors are required to prepare an independent financial audit of the Low and Moderate Income Housing Asset Fund (LMIHAF) within six months of the end of each fiscal year, which may be included in the independent financial audit of the host jurisdiction; prepare a report containing specific information on the use of housing assets during the previous fiscal year; and, post the report on the jurisdiction's website. A copy of the report is also required to be provided with the jurisdiction's annual Housing Element Report due April first of each year.

The City will complete its annual audited financial report by March 31, 2020 as required. A copy of the Housing Successor Annual Report Regarding the Low- and Moderate-Income Housing Asset Fund for Fiscal Year 2019-2020 (Report) will be posted on the City's website following LBCIC approval, and is provided as Attachment A. The Report includes the following items required by SB 341:

- Amount of Loan Repayments the Successor Agency made to the City During the Fiscal Year (this item was not included in SB 341, but was later made a requirement by SB 107);
- Amount Deposited into the LMIHAF During the Fiscal Year;
- Ending Balance of the LMIHAF;
- Description of Expenditures from the LMIHAF;
- Statutory value of Assets Owned by the Housing Successor;
- Description of Transfers;
- Project Descriptions;
- Status of Compliance with Section 33334.16;
- Description of Outstanding Obligations under Section 33413;
- Income Test;
- Senior Housing Test;
- Excess Surplus Test;
- Inventory of Homeownership Units Subject to Covenants or Restrictions (this item was not included in SB 341 but was later made a requirement by AB 1793).

During Fiscal Year 2019-2020, \$2,643,437 was spend on the development of the Bloom at Magnolia Apartments, which are being developed by LINC Housing and are currently under construction. Additionally, during the year staff continued to monitor all existing affordability covenants and restrictions. The careful management of funds and operations during the year will allow for additional NOFAs for affordable housing projects in the forthcoming year.

SUGGESTED ACTION:

Approve Recommendation.

LFT:PU:ew

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Attachment:

- A. Housing Successor Annual Report Regarding the Low- and Moderate-Income Housing Asset Fund for Fiscal Year 2019-2020.